

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

FREMONT COMMUNITY SCHOOLS
STEBEN COUNTY, INDIANA

July 1, 2012 to June 30, 2014



FILED
05/27/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Shayne Tresenriter Brandon Penrod	07-01-12 to 10-07-13 10-08-13 to 12-31-16
Superintendent of Schools	Loraine Vaughn	07-01-12 to 06-30-16
President of the School Board	Tim Knoblauch Sheri Thomson Marty McNeal	07-01-12 to 12-31-12 01-01-13 to 12-31-14 01-01-15 to 12-31-16



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE FREMONT COMMUNITY SCHOOLS, STEUBEN COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Fremont Community Schools (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2012 to June 30, 2014, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School Corporation's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2012 to June 30, 2014.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the period of July 1, 2012 to June 30, 2014, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.


Other Information

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 14, 2016, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

March 14, 2016



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF THE FREMONT COMMUNITY SCHOOLS, STEUBEN COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the Fremont Community Schools (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2012 to June 30, 2014, and the related notes to the financial statement, and have issued our report thereon dated March 14, 2016, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the School Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control.

Our consideration of the internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001 and 2014-002 to be material weaknesses.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001 and 2014-002.

Fremont Community Schools' Response to Findings

The School Corporation's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

March 14, 2016

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the School Corporation. The financial statement and notes are presented as intended by the School Corporation.

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FREMONT COMMUNITY SCHOOLS
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2013 and 2014

Fund	Cash and Investments 07-01-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14
General	\$ 802,410	\$ 7,139,602	\$ 7,400,934	\$ 343	\$ 541,421	\$ 6,354,266	\$ 6,625,532	\$ 12,531	\$ 282,686
Debt Service	223,880	1,650,310	1,193,885	-	680,305	1,593,398	1,329,999	33,036	976,740
Retirement/Severance Bond Debt Service	(119,987)	614,185	206,362	-	287,836	604,090	496,183	-	395,743
Capital Projects	428,508	2,099,697	1,293,550	(200,000)	1,034,655	1,796,153	1,687,053	(313,450)	830,305
School Transportation	689,216	1,383,162	857,403	(400,000)	814,975	1,145,804	1,152,920	(225,641)	582,218
School Bus Replacement	(7,527)	142,330	-	-	134,803	90,277	194,768	1,649	31,961
Rainy Day	500,000	-	214,377	600,000	885,623	118,636	759,176	624,788	869,871
Retirement/Severance Bond	(4,927)	-	5,009	-	(9,936)	-	2,839	-	(12,775)
Construction	-	-	387,305	1,995,534	1,608,229	-	2,169,306	3,991,081	3,430,004
School Lunch	(46,509)	447,392	439,780	-	(38,897)	443,147	422,390	-	(18,140)
Textbook Rental	97,857	125,152	60,882	-	162,127	118,006	76,450	-	203,683
Self-Insurance	127,568	2,619,630	2,421,735	-	325,463	916,932	976,826	-	265,569
Levy Excess	2,230	11,525	-	-	13,755	-	-	-	13,755
Educational License Plates	(254)	-	-	-	(254)	56	-	-	(198)
Early Intervention Grant	3,195	-	-	-	3,195	-	-	-	3,195
Gifts	8,116	-	7,548	12,597	13,165	1,315	8,827	3,376	9,029
P.L. 221 Professional Development	7,350	8	2,054	-	5,304	-	6,894	-	(1,590)
Non-English Speaking Programs P.L. 273-1999	5,224	-	-	-	5,224	-	-	-	5,224
School Technology	4,320	4,317	-	-	8,637	4,836	2,100	-	11,373
Extra-Curricular Activities	543	1,709	1,259	-	993	235	566	(662)	-
Extra-Curricular Employee Payment	-	-	-	-	-	547	1,127	662	82
Day Care Program	(131,165)	308	-	-	(130,857)	17,104	-	-	(113,753)
Excess PTRC Distributions	-	-	-	-	-	95,594	-	(95,594)	-
Title I 2011-12	4,745	-	13,026	-	(8,281)	-	-	-	(8,281)
Title I 2012-13	-	107,761	126,547	-	(18,786)	23,776	4,990	-	-
Title I 2013-14	-	-	-	-	-	94,015	107,922	-	(13,907)
Head Start 2011-12	(74,198)	490,524	416,326	-	-	-	-	-	-
Head Start 2012-13	-	721,728	706,603	-	15,125	417,484	407,407	(3,000)	22,202
Head Start 2013-14	-	-	-	-	-	604,000	579,020	-	24,980
Head Start Food Service	21,578	82,350	96,305	-	7,623	76,650	78,041	3,000	9,232
National Science Foundation, Title IV, Part A	(319)	-	2,976	-	(3,295)	-	1,392	-	(4,687)
Improving Teaching Quality, Title II, Part A	9,745	-	930	-	8,815	48,045	48,156	-	8,704
Summer Food Program	-	18,598	19,140	-	(542)	2,000	621	-	837
Education Jobs	-	4,767	4,767	-	-	-	-	-	-
Payroll	93,447	4,806,647	4,731,246	-	168,848	3,266,866	3,426,003	-	9,711
Totals	\$ 2,645,046	\$ 22,471,702	\$ 20,609,949	\$ 2,008,474	\$ 6,515,273	\$ 17,833,232	\$ 20,566,508	\$ 4,031,776	\$ 7,813,773

The notes to the financial statement are an integral part of this statement.

FREMONT COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

School Corporation, as used herein, shall include, but is not limited to, school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

The accompanying financial statement presents the financial information for the School Corporation.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts may include the following sources:

Local sources which include taxes, revenue from local governmental units other than school corporations, transfer tuition, transportation fees, investment income, food services, School Corporation activities, revenue from community services activities, and other revenue from local sources.

Intermediate sources which include distributions from the County for fees collected for or on behalf of the School Corporation including educational license plate fees, congressional interest, riverboat distributions, and other similar fees.

FREMONT COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

State sources include distributions from the State of Indiana and are to be used by the School Corporation for various purposes. Included in state sources are unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Federal sources include distributions from the federal government and are to be used by the School Corporation for various purposes. Included in federal sources are unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Temporary loans which include money received from a loan obtained to pay current expenses prior to the receipt of revenue from taxes levied for that purpose. These loans, sometimes designated tax anticipation warrants, must be repaid from the next semiannual distribution of local property taxes levied for such fund.

Other receipts which include amounts received from various sources which include return of petty cash, return of cash change, insurance claims for losses, sale of securities, and other receipts not listed in another category above.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements may include the following uses:

Instruction which includes outflows for regular programs, special programs, adult and continuing education programs, summer school programs, enrichment programs, remediation, and payments to other governmental units.

Support services which include outflows for support services related to students, instruction, general administration, and school administration. It also includes outflows for central services, operation and maintenance of plant services, and student transportation.

Noninstructional services which include outflows for food service operations and community service operations.

Facilities acquisition and construction which includes outflows for the acquisition, development, construction, and improvement of new and existing facilities.

Debt services which include fixed obligations resulting from financial transactions previously entered into by the School Corporation. It includes all expenditures for the reduction of the principal and interest of the School Corporation's general obligation indebtedness.

Nonprogrammed charges which include outflows for donations to foundations, securities purchased, indirect costs, scholarships, and self-insurance payments.

F. Other Financing Sources and Uses

Other financing sources and uses are presented in the aggregate on the face of the financial statement. The aggregate other financing sources and uses may include the following:

FREMONT COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

Proceeds of long-term debt which includes money received in relation to the issuance of bonds or other long-term debt issues.

Sale of capital assets which includes money received when land, buildings, or equipment owned by the School Corporation is sold.

Transfers in which includes money received by one fund as a result of transferring money from another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

Transfers out which includes money paid by one fund to another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the School Corporation. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the School Corporation. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the School Corporation in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the School Corporation submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

FREMONT COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the School Corporation to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The School Corporation may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

FREMONT COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

B. Teachers' Retirement Fund

Plan Description

The Indiana Teachers' Retirement Fund (TRF) is a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRF plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 286-3544

Funding Policy and Annual Pension Cost

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is partially a result of the funds being set up for reimbursable federal grants. The reimbursement for expenditures for these grants made by the School Corporation was not received by June 30 of the relative year. Other funds with deficit cash balances were the result of disbursements in excess of receipts.

FREMONT COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporations*

The School Corporation has entered into a capital lease with Fremont Middle School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2013 and 2014 totaled \$714,525 and \$0, respectively.

The School Corporation has entered into a capital lease with Fremont Community Schools Improvement Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2013 and 2014 totaled \$126,185 and \$255,837, respectively.

Note 9. *Subsequent Events*

The School Corporation issued \$2,000,000 in General Obligation Bonds on December 31, 2014. The proceeds of the bonds will be used for paying the costs of renovation of and improvements to all school facilities, including site improvements, roofing, and safety and security improvement.

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OTHER INFORMATION - UNAUDITED

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://mustang.doe.state.in.us/TRENDS/fin.cfm>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's Office. Additionally, some financial information of the School Corporation can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Financial Reports of the School Corporation which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information presented was approved by management of the School Corporation. It is presented as intended by the School Corporation.

FREMONT COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013

	General	Debt Service	Retirement/ Severance/ Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction
Cash and investments - beginning	\$ 802,410	\$ 223,880	\$ (119,987)	\$ 428,508	\$ 689,216	\$ (7,527)	\$ 500,000	\$ (4,927)	\$ -
Receipts:									
Local sources	118,917	1,609,328	460,015	1,567,757	1,113,386	142,330	-	-	-
Intermediate sources	8	-	-	-	-	-	-	-	-
State sources	6,636,530	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	384,147	35,040	154,170	524,327	269,593	-	-	-	-
Other	-	5,942	-	7,613	183	-	-	-	-
Total receipts	<u>7,139,602</u>	<u>1,650,310</u>	<u>614,185</u>	<u>2,099,697</u>	<u>1,383,162</u>	<u>142,330</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	5,842,188	-	-	-	-	-	-	5,009	-
Support services	1,419,600	-	-	897,467	854,104	-	214,377	-	37,305
Noninstructional services	121,731	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	393,573	-	-	-	-	350,000
Debt services	-	1,193,885	206,362	2,510	-	-	-	-	-
Nonprogrammed charges	17,415	-	-	-	3,299	-	-	-	-
Total disbursements	<u>7,400,934</u>	<u>1,193,885</u>	<u>206,362</u>	<u>1,293,550</u>	<u>857,403</u>	<u>-</u>	<u>214,377</u>	<u>5,009</u>	<u>387,305</u>
Excess (deficiency) of receipts over disbursements	<u>(261,332)</u>	<u>456,425</u>	<u>407,823</u>	<u>806,147</u>	<u>525,759</u>	<u>142,330</u>	<u>(214,377)</u>	<u>(5,009)</u>	<u>(387,305)</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	1,995,534
Sale of capital assets	343	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	600,000	-	-
Transfers out	-	-	-	(200,000)	(400,000)	-	-	-	-
Total other financing sources (uses)	<u>343</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>(400,000)</u>	<u>-</u>	<u>600,000</u>	<u>-</u>	<u>1,995,534</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(260,989)</u>	<u>456,425</u>	<u>407,823</u>	<u>606,147</u>	<u>125,759</u>	<u>142,330</u>	<u>385,623</u>	<u>(5,009)</u>	<u>1,608,229</u>
Cash and investments - ending	<u>\$ 541,421</u>	<u>\$ 680,305</u>	<u>\$ 287,836</u>	<u>\$ 1,034,655</u>	<u>\$ 814,975</u>	<u>\$ 134,803</u>	<u>\$ 885,623</u>	<u>\$ (9,936)</u>	<u>\$ 1,608,229</u>

FREMONT COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

	School Lunch	Textbook Rental	Self- Insurance	Levy Excess	Educational License Plates	Early Intervention Grant	Gifts	P.L. 221 Professional Development	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ (46,509)	\$ 97,857	\$ 127,568	\$ 2,230	\$ (254)	\$ 3,195	\$ 8,116	\$ 7,350	\$ 5,224
Receipts:									
Local sources	221,615	76,298	2,619,630	11,525	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	225,477	48,854	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	300	-	-	-	-	-	-	8	-
Total receipts	447,392	125,152	2,619,630	11,525	-	-	-	8	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	7,548	2,054	-
Support services	300	60,882	-	-	-	-	-	-	-
Noninstructional services	439,480	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	2,421,735	-	-	-	-	-	-
Total disbursements	439,780	60,882	2,421,735	-	-	-	7,548	2,054	-
Excess (deficiency) of receipts over disbursements	7,612	64,270	197,895	11,525	-	-	(7,548)	(2,046)	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	12,597	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	12,597	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,612	64,270	197,895	11,525	-	-	5,049	(2,046)	-
Cash and investments - ending	\$ (38,897)	\$ 162,127	\$ 325,463	\$ 13,755	\$ (254)	\$ 3,195	\$ 13,165	\$ 5,304	\$ 5,224

FREMONT COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

	School Technology	Extra- Curricular Activities	Extra- Curricular Employee Payment	Day Care Program	Excess PTRC Distributions	Title I 2011-12	Title I 2012-13	Title I 2013-14	Head Start 2011-12
Cash and investments - beginning	\$ 4,320	\$ 543	\$ -	\$ (131,165)	\$ -	\$ 4,745	\$ -	\$ -	\$ (74,198)
Receipts:									
Local sources	-	1,709	-	308	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	4,317	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	107,761	-	490,524
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>4,317</u>	<u>1,709</u>	<u>-</u>	<u>308</u>	<u>-</u>	<u>-</u>	<u>107,761</u>	<u>-</u>	<u>490,524</u>
Disbursements:									
Current:									
Instruction	-	1,105	-	-	-	13,026	126,547	-	416,326
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	154	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>1,259</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,026</u>	<u>126,547</u>	<u>-</u>	<u>416,326</u>
Excess (deficiency) of receipts over disbursements	<u>4,317</u>	<u>450</u>	<u>-</u>	<u>308</u>	<u>-</u>	<u>(13,026)</u>	<u>(18,786)</u>	<u>-</u>	<u>74,198</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>4,317</u>	<u>450</u>	<u>-</u>	<u>308</u>	<u>-</u>	<u>(13,026)</u>	<u>(18,786)</u>	<u>-</u>	<u>74,198</u>
Cash and investments - ending	<u>\$ 8,637</u>	<u>\$ 993</u>	<u>\$ -</u>	<u>\$ (130,857)</u>	<u>\$ -</u>	<u>\$ (8,281)</u>	<u>\$ (18,786)</u>	<u>\$ -</u>	<u>\$ -</u>

FREMONT COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

	Head Start 2012-13	Head Start 2013-14	Head Start Food Service	National Science Foundation, Title IV, Part A	Improving Teaching Quality, Title II, Part A	Summer Food Program	Education Jobs	Payroll	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 21,578	\$ (319)	\$ 9,745	\$ -	\$ -	\$ 93,447	\$ 2,645,046
Receipts:									
Local sources	-	-	-	-	-	-	-	-	7,942,818
Intermediate sources	-	-	-	-	-	-	-	-	8
State sources	-	-	82,350	-	-	-	-	-	6,997,528
Federal sources	712,000	-	-	-	-	18,598	4,767	-	1,333,650
Temporary loans	-	-	-	-	-	-	-	-	1,367,277
Other	9,728	-	-	-	-	-	-	4,806,647	4,830,421
Total receipts	721,728	-	82,350	-	-	18,598	4,767	4,806,647	22,471,702
Disbursements:									
Current:									
Instruction	706,603	-	96,305	-	-	-	4,767	-	7,221,478
Support services	-	-	-	2,976	930	-	-	-	3,487,941
Noninstructional services	-	-	-	-	-	19,140	-	-	580,505
Facilities acquisition and construction	-	-	-	-	-	-	-	-	743,573
Debt services	-	-	-	-	-	-	-	-	1,402,757
Nonprogrammed charges	-	-	-	-	-	-	-	4,731,246	7,173,695
Total disbursements	706,603	-	96,305	2,976	930	19,140	4,767	4,731,246	20,609,949
Excess (deficiency) of receipts over disbursements	15,125	-	(13,955)	(2,976)	(930)	(542)	-	75,401	1,861,753
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	1,995,534
Sale of capital assets	-	-	-	-	-	-	-	-	12,940
Transfers in	-	-	-	-	-	-	-	-	600,000
Transfers out	-	-	-	-	-	-	-	-	(600,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	2,008,474
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	15,125	-	(13,955)	(2,976)	(930)	(542)	-	75,401	3,870,227
Cash and investments - ending	\$ 15,125	\$ -	\$ 7,623	\$ (3,295)	\$ 8,815	\$ (542)	\$ -	\$ 168,848	\$ 6,515,273

FREMONT COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction
Cash and investments - beginning	\$ 541,421	\$ 680,305	\$ 287,836	\$ 1,034,655	\$ 814,975	\$ 134,803	\$ 885,623	\$ (9,936)	\$ 1,608,229
Receipts:									
Local sources	70,178	1,593,398	439,823	1,649,555	1,142,528	90,277	118,636	-	-
Intermediate sources	17	-	-	-	-	-	-	-	-
State sources	6,284,071	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	164,267	145,698	-	-	-	-	-
Other	-	-	-	900	3,276	-	-	-	-
Total receipts	<u>6,354,266</u>	<u>1,593,398</u>	<u>604,090</u>	<u>1,796,153</u>	<u>1,145,804</u>	<u>90,277</u>	<u>118,636</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	4,450,615	-	-	-	-	-	558,021	741	-
Support services	1,658,897	-	-	813,381	858,801	194,768	201,155	2,098	139,035
Noninstructional services	123,465	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	351,855	24,526	-	-	-	2,030,271
Debt services	384,147	1,329,999	496,183	521,817	269,593	-	-	-	-
Nonprogrammed charges	8,408	-	-	-	-	-	-	-	-
Total disbursements	<u>6,625,532</u>	<u>1,329,999</u>	<u>496,183</u>	<u>1,687,053</u>	<u>1,152,920</u>	<u>194,768</u>	<u>759,176</u>	<u>2,839</u>	<u>2,169,306</u>
Excess (deficiency) of receipts over disbursements	<u>(271,266)</u>	<u>263,399</u>	<u>107,907</u>	<u>109,100</u>	<u>(7,116)</u>	<u>(104,491)</u>	<u>(640,540)</u>	<u>(2,839)</u>	<u>(2,169,306)</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	3,991,081
Sale of capital assets	12,531	-	-	-	-	-	24,788	-	-
Transfers in	-	33,036	-	36,550	24,359	1,649	600,000	-	-
Transfers out	-	-	-	(350,000)	(250,000)	-	-	-	-
Total other financing sources (uses)	<u>12,531</u>	<u>33,036</u>	<u>-</u>	<u>(313,450)</u>	<u>(225,641)</u>	<u>1,649</u>	<u>624,788</u>	<u>-</u>	<u>3,991,081</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(258,735)</u>	<u>296,435</u>	<u>107,907</u>	<u>(204,350)</u>	<u>(232,757)</u>	<u>(102,842)</u>	<u>(15,752)</u>	<u>(2,839)</u>	<u>1,821,775</u>
Cash and investments - ending	<u>\$ 282,686</u>	<u>\$ 976,740</u>	<u>\$ 395,743</u>	<u>\$ 830,305</u>	<u>\$ 582,218</u>	<u>\$ 31,961</u>	<u>\$ 869,871</u>	<u>\$ (12,775)</u>	<u>\$ 3,430,004</u>

FREMONT COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014
 (Continued)

	School Lunch	Textbook Rental	Self- Insurance	Levy Excess	Educational License Plates	Early Intervention Grant	Gifts	P.L. 221 Professional Development	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ (38,897)	\$ 162,127	\$ 325,463	\$ 13,755	\$ (254)	\$ 3,195	\$ 13,165	\$ 5,304	\$ 5,224
Receipts:									
Local sources	214,784	82,770	916,842	-	-	-	1,315	-	-
Intermediate sources	-	-	-	-	56	-	-	-	-
State sources	228,063	35,236	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	300	-	90	-	-	-	-	-	-
Total receipts	443,147	118,006	916,932	-	56	-	1,315	-	-
Disbursements:									
Current:									
Instruction	-	-	1,344	-	-	-	8,827	6,894	-
Support services	300	76,450	124,000	-	-	-	-	-	-
Noninstructional services	422,090	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	851,482	-	-	-	-	-	-
Total disbursements	422,390	76,450	976,826	-	-	-	8,827	6,894	-
Excess (deficiency) of receipts over disbursements	20,757	41,556	(59,894)	-	56	-	(7,512)	(6,894)	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	3,376	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	3,376	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,757	41,556	(59,894)	-	56	-	(4,136)	(6,894)	-
Cash and investments - ending	\$ (18,140)	\$ 203,683	\$ 265,569	\$ 13,755	\$ (198)	\$ 3,195	\$ 9,029	\$ (1,590)	\$ 5,224

FREMONT COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014
 (Continued)

	School Technology	Extra- Curricular Activities	Extra- Curricular Employee Payment	Day Care Program	Excess PTRC Distributions	Title I 2011-12	Title I 2012-13	Title I 2013-14	Head Start 2011-12
Cash and investments - beginning	\$ 8,637	\$ 993	\$ -	\$ (130,857)	\$ -	\$ (8,281)	\$ (18,786)	\$ -	\$ -
Receipts:									
Local sources	-	235	547	17,104	15,932	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	4,836	-	-	-	79,662	-	-	-	-
Federal sources	-	-	-	-	-	-	23,776	94,015	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>4,836</u>	<u>235</u>	<u>547</u>	<u>17,104</u>	<u>95,594</u>	<u>-</u>	<u>23,776</u>	<u>94,015</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	-	503	1,127	-	-	-	4,990	104,791	-
Support services	-	-	-	-	-	-	-	3,131	-
Noninstructional services	-	63	-	-	-	-	-	-	-
Facilities acquisition and construction	2,100	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>2,100</u>	<u>566</u>	<u>1,127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,990</u>	<u>107,922</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,736</u>	<u>(331)</u>	<u>(580)</u>	<u>17,104</u>	<u>95,594</u>	<u>-</u>	<u>18,786</u>	<u>(13,907)</u>	<u>-</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	662	-	14,990	-	-	-	-
Transfers out	-	(662)	-	-	(110,584)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(662)</u>	<u>662</u>	<u>-</u>	<u>(95,594)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>2,736</u>	<u>(993)</u>	<u>82</u>	<u>17,104</u>	<u>-</u>	<u>-</u>	<u>18,786</u>	<u>(13,907)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 11,373</u>	<u>\$ -</u>	<u>\$ 82</u>	<u>\$ (113,753)</u>	<u>\$ -</u>	<u>\$ (8,281)</u>	<u>\$ -</u>	<u>\$ (13,907)</u>	<u>\$ -</u>

FREMONT COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014
 (Continued)

	Head Start 2012-13	Head Start 2013-14	Head Start Food Service	National Science Foundation, Title IV, Part A	Improving Teaching Quality, Title II, Part A	Summer Food Program	Education Jobs	Payroll	Totals
Cash and investments - beginning	\$ 15,125	\$ -	\$ 7,623	\$ (3,295)	\$ 8,815	\$ (542)	\$ -	\$ 168,848	\$ 6,515,273
Receipts:									
Local sources	-	-	-	-	-	-	-	-	6,353,924
Intermediate sources	-	-	-	-	-	-	-	-	73
State sources	-	-	76,650	-	-	-	-	-	6,708,518
Federal sources	405,018	602,500	-	-	48,045	2,000	-	-	1,175,354
Temporary loans	-	-	-	-	-	-	-	-	309,965
Other	12,466	1,500	-	-	-	-	-	3,266,866	3,285,398
Total receipts	417,484	604,000	76,650	-	48,045	2,000	-	3,266,866	17,833,232
Disbursements:									
Current:									
Instruction	407,407	579,020	78,041	-	44,258	-	-	-	6,246,579
Support services	-	-	-	1,392	3,898	-	-	-	4,077,306
Noninstructional services	-	-	-	-	-	621	-	-	546,239
Facilities acquisition and construction	-	-	-	-	-	-	-	-	2,408,752
Debt services	-	-	-	-	-	-	-	-	3,001,739
Nonprogrammed charges	-	-	-	-	-	-	-	3,426,003	4,285,893
Total disbursements	407,407	579,020	78,041	1,392	48,156	621	-	3,426,003	20,566,508
Excess (deficiency) of receipts over disbursements	10,077	24,980	(1,391)	(1,392)	(111)	1,379	-	(159,137)	(2,733,276)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	3,991,081
Sale of capital assets	-	-	-	-	-	-	-	-	40,695
Transfers in	-	-	3,000	-	-	-	-	-	714,246
Transfers out	(3,000)	-	-	-	-	-	-	-	(714,246)
Total other financing sources (uses)	(3,000)	-	3,000	-	-	-	-	-	4,031,776
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,077	24,980	1,609	(1,392)	(111)	1,379	-	(159,137)	1,298,500
Cash and investments - ending	\$ 22,202	\$ 24,980	\$ 9,232	\$ (4,687)	\$ 8,704	\$ 837	\$ -	\$ 9,711	\$ 7,813,773

FREMONT COMMUNITY SCHOOLS
SCHEDULE OF LEASES AND DEBT
June 30, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Fremont Community Schools Improvement Building Corporation	Team Building	<u>\$ 257,090</u>	11/15/2005	1/20/2016

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	Pension Bonds		\$ 1,315,000	\$ 370,100
General obligation bonds	General Renovation Projects		670,000	673,350
General obligation bonds	General Renovation Projects		2,000,000	683,823
General obligation bonds	General Renovation Projects		2,000,000	19,963
Tax anticipation warrants	Cash Flow		<u>310,108</u>	<u>310,108</u>
Total governmental activities			<u>\$ 6,295,108</u>	<u>\$ 2,057,344</u>

FREMONT COMMUNITY SCHOOLS
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2014

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Governmental activities:	
Land	\$ 270,775
Buildings	30,534,000
Improvements other than buildings	1,199,000
Machinery, equipment, and vehicles	3,384,507
Construction in progress	4,000,000
Books and other	1,000,000
Total governmental activities	\$ 40,388,282

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE FREMONT COMMUNITY SCHOOLS, STEUBEN COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Fremont Community Schools' (School Corporation) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2012 to June 30, 2014. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School Corporation's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2012 to June 30, 2014.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

Report on Internal Control Over Compliance


Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2014-003 to be a material weakness.

The School Corporation's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

March 14, 2016

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

FREMONT COMMUNITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2013 and 2014

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-13	Total Federal Awards Expended 06-30-14
<u>Department of Agriculture</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553			
			FY 12-13	\$ 29,446	\$ -
			FY 13-14	-	32,416
				<u>29,446</u>	<u>32,416</u>
Total - School Breakfast Program				<u>29,446</u>	<u>32,416</u>
National School Lunch Program	Indiana Department of Education	10.555			
			FY 12-13	226,011	-
			FY 13-14	-	224,436
				<u>226,011</u>	<u>224,436</u>
Total - National School Lunch Program				<u>226,011</u>	<u>224,436</u>
Summer Food Service Program for Children	Indiana Department of Education	10.559			
			FY 12-13	18,598	-
			FY 13-14	-	2,000
				<u>18,598</u>	<u>2,000</u>
Total - Summer Food Service Program for Children				<u>18,598</u>	<u>2,000</u>
Total - Child Nutrition Cluster				<u>274,055</u>	<u>258,852</u>
Child and Adult Care Food Program	Indiana Department of Education	10.558			
			FY 12-13	82,350	-
			FY 13-14	-	76,650
				<u>82,350</u>	<u>76,650</u>
Total - Child and Adult Care Food Program				<u>82,350</u>	<u>76,650</u>
Total - Department of Agriculture				<u>356,405</u>	<u>335,502</u>
<u>Department of Education</u>					
Title I, Part A Cluster					
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010			
			12-7605	107,761	10,400
			13-7605	-	94,015
				<u>107,761</u>	<u>104,415</u>
Total - Title I Grants to Local Educational Agencies				<u>107,761</u>	<u>104,415</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

FREMONT COMMUNITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2013 and 2014
(Continued)

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-13	Total Federal Awards Expended 06-30-14
<u>Department of Education (continued)</u>					
Special Education Cluster					
Special Education-Grants to States (IDEA Part B)	Indiana Department of Education	84.027			
			14212-046-PN01	92,843	-
			14213-046-PN01	156,431	92,744
			14214-046-PN01	-	177,776
			99914-46-TA01	-	2,678
Total - Special Education-Grants to States (IDEA Part B)				<u>249,274</u>	<u>273,198</u>
Special Education-Preschool Grants (IDEA Preschool)	Indiana Department of Education	84.173			
			45713-046-PN01	12,006	-
			45713-046-PN01	-	11,739
Total - Special Education-Preschool Grants (IDEA Preschool)				<u>12,006</u>	<u>11,739</u>
Total - Special Education Cluster				<u>261,280</u>	<u>284,937</u>
Improving Teacher Quality State Grants	Indiana Department of Education	84.367			
			11-7605	-	17,178
			12-7605	-	30,867
Total - Improving Teacher Quality State Grants				<u>-</u>	<u>48,045</u>
Education Jobs Fund	Indiana Department of Education	84.410			
			FY 12-13	4,767	-
Total - Department of Education				<u>373,808</u>	<u>437,397</u>
<u>Department of Health and Human Services</u>					
Head Start	Direct Grant	93.600			
			05CH419147	490,524	-
			05CH419148	712,000	405,018
			05CH834901	-	579,020
Total - Head Start				<u>1,202,524</u>	<u>984,038</u>
Total - Department of Health and Human Services				<u>1,202,524</u>	<u>984,038</u>
Total federal awards expended				<u>\$ 1,932,737</u>	<u>\$ 1,756,937</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

FREMONT COMMUNITY SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the School Corporation and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

Note 2. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2013 and 2014. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2013	2014
National School Lunch Program	10.555	\$ 35,229	\$ 33,703

FREMONT COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
93.600	Special Education Cluster (IDEA) Head Start

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

Section II - Financial Statement Findings

FINDING 2014-001 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. Control activities should be selected and developed at various levels of the School Corporation to reduce risks to the achievement of financial reporting objectives. The School Corporation has not separated incompatible activities related to cash and investments and receipts. The failure to establish these controls could enable material misstatements or irregularities to remain undetected. We believe the following deficiencies constitute material weaknesses.

1. Cash and Investments: Bank reconciliations were not subjected to a review or approval process to ensure that they were complete and accurate.

FREMONT COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. Receipts: The School Corporation Deputy Treasurer, except for school lunch monies, writes receipts, posts receipts, prepares the deposit slips, and takes the deposit to the bank. For school lunch, the Food Service Director collects each school's daily receipts, prepares the deposit slip, and takes the deposit to the bank.
3. During the audit of the financial statement, we noted the School Corporation had underreported receipts for FY 12-13 and FY 13-14 by \$4,943,377 and \$1,937,913, respectively. The School Corporation also underreported disbursements for FY 12-13 and FY 13-14 by \$4,731,246 and \$3,328,040, respectively. Audit adjustments netting a positive \$325,577 to the June 30, 2013, total cash balance and a negative \$1,065,550 to the June 30, 2014, total cash balance were proposed, accepted by the School Corporation, and made to the financial statement presented in this report.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the Independent Auditor's Report on the financial statements may have adverse financial consequences with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

FINDING 2014-002 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The School Corporation should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

During the audit of the SEFA, we noted the School Corporation had failed to report any expenditures for FY 12-13. Audit adjustments totaling \$1,932,737 were proposed, accepted by the School Corporation, and made to the SEFA presented in this report. For FY 13-14, the SEFA had underreported \$10,409 in expenditures for Title I, Part A Cluster and omitted the expenditures for the Child Nutrition Cluster, the Child and Adult Care Food Program, the Special Education Cluster, and the Head Start Cluster. Audit adjustments totaling \$1,625,295 were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

FREMONT COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section .310."

OMB Circular A-133, Subpart C, section .310(b) states:

"Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

FREMONT COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III - Federal Award Findings and Questioned Costs

FINDING 2014-003 - CASH MANAGEMENT, PERIOD OF AVAILABILITY, AND REPORTING

Federal Agency: Department of Health and Human Services
Federal Program: Head Start
CFDA Number: 93.600
Federal Award Number and Year: 05CH419147, 05CH419148, 05CH834901
Pass-Through Entity: Direct

Management of the School Corporation has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and several of the compliance requirements that have a direct and material effect on the program. This includes the compliance requirements for Cash Management, Period of Availability, and Reporting. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

Cash Management, Reporting

The School Corporation has not designed or implemented adequate policies or procedures to ensure that required reports were accurately prepared. One employee was solely responsible for preparing and submitting all required reports. There was no segregation of duties, such as an oversight, review, or approval process.

Period of Availability

The School Corporation has not established controls to ensure federal funds were obligated within the period of availability when requesting federal drawdowns or reimbursements. One employee was solely responsible for preparing and submitting all federal drawdowns or reimbursements. There was no segregation of duties, such as an oversight, review, or approval process.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

FREMONT COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirements could result in the loss of federal funds to the school corporation.

We recommended that the School Corporation's management establish and implement controls, including segregation of duties, related to the grant agreement and compliance requirements listed above.

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AUDITEE PREPARED DOCUMENT

The subsequent document was provided by management of the School Corporation. The document is presented as intended by the School Corporation.

Fremont Community Schools

Indiana Performance Qualified School District

Loraine K. Vaughn, Ed.S.
Superintendent
Brandon H. Penrod, Ed.S.
Business Manager
Shayne Tresenriter
Deputy Treasurer
Robin Byler
Accounts Payable
Linda McCarty
Secretary

Board of School Trustees

Peggy Bailey
Gary Baker
Kimberly Bennett
Jill Cox
Anna Creager
Laura McLatcher
Marty McNeal

March 14, 2016

CORRECTIVE ACTION PLAN

FINDING 2014-001 INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Contact Person Responsible for Corrective Action: Brandon Penrod
Contact Phone Number: 260-495-5005

Description of Corrective Action Plan:

1. Lack of Segregation of Duties-the district will establish segregation of duties by assigning at least two people to each process. This will allow one to do the transaction and the other to verify it.

Anticipated Completion Date: Ongoing

FINDING 2014-002 PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Contact Person Responsible for Corrective Action: Brandon Penrod
Contact Phone Number: 260-495-5005

Description of Corrective Action Plan:

1. An additional verification by someone other than the preparer will be added to the SEFA reporting process.

Anticipated Completion Date: Ongoing

Fremont Community Schools

Indiana Performance Qualified School District

FINDING 2014-003 CASH MANAGEMENT, PERIOD OF AVAILABILITY, AND REPORTING

Contact Person Responsible for Corrective Action: Brandon Penrod

Contact Phone Number: 260-495-5005

Federal Agency: Department of Health and Human Services

Federal Program: Head Start

CFDA Number: 93.600

Federal Award Number and Year: 05CH419147, 05CH149148, 05CH834901, FY 12-13 FY 13-14

Pass-Through Entity: Direct

Description of Corrective Action Plan:

1. School will add an additional verification by someone other than the preparer for all Head Start documents that are prepared for submission.

Anticipated Completion Date: Ongoing



(Signature)

Business Manager

(Title)

3-14-16

(Date)

OTHER REPORTS

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.